

DE 00-120

CONCORD ELECTRIC COMPANY AND EXETER & HAMPTON ELECTRIC COMPANY

Summer 2000 Load Response Program

Order Nisi Approving Load Response Program

O R D E R N O. 23,504

June 5, 2000

On May 16, 2000, the Petitioners, Concord Electric Company and Exeter & Hampton Electric Company (jointly the Companies), filed with the Public Utilities Commission (the Commission) their Standard Contract for Voluntary Electric Demand Reductions in Response to New England Power Grid Summer Peak Load Conditions and a supporting exhibit in response to ISO-New England's Load Response Program for the Summer of 2000. Under the ISO-New England Program, distribution companies and load serving entities will enroll interruptible customers who will be called upon to curtail their loads at times when the market clearing price for energy is expected to reach specified levels ranging from 500 to 1000 dollars per megawatt-hour. The NEPOOL participant whose load is reduced will pay ISO-New England the hourly market clearing price less the cost of energy for the load interrupted. ISO-New England will then proportionally distribute these funds to the NEPOOL participants who enrolled the interruptible customers. These NEPOOL participants will then distribute the funds based upon

the specific agreement entered into with the interruptible customers. The ISO-New England program is further detailed in Exhibit A of the Companies' filing. The Companies propose to pass through 100 percent of the distributed program funds from ISO-New England to the interruptible customers. The program is scheduled to run for the period June 1, 2000 through September 30, 2000.

The Commission is concerned about the New England summer capacity situation based upon the price spikes of last summer and more recently those of May 8 of this year. We are supportive of the ISO-New England's Load Reduction Program, the Companies' participation, and their intention to maximize participation through the 100 percent interruptible credit pass-through. Any direct impact upon other Company customers should be minimized since, when Unitil Power Corporation, the load holding entity for Exeter & Hampton and Concord Electric, is long on power, the program payments to ISO-New England should be offset by profits from selling the avoided or interrupted energy into the market or, in the case when Unitil Power Corporation is short on power, by avoiding the need to purchase power from the spot market. In addition, all customers should benefit from the mitigation of NEPEX Operating Procedure No. 4 actions through increased

reliability.

Based upon the foregoing, it is hereby

ORDERED NISI, that Exeter and Hampton and Concord Electric Company's Standard Contract for Voluntary Electric Demand Reductions in Response to New England Power Grid Summer Peak Load Conditions as filed on May 16, 2000 is approved, and it is

FURTHER ORDERED, that the Petitioner shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than June 12, 2000 and to be documented by affidavit filed with this office on or before June 22, 2000; and it is

FURTHER ORDERED, that all persons interested in responding to this petition be notified that they may submit their comments or file a written request for a hearing on this matter before the Commission no later than June 22, 2000; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than June 27, 2000; and it is

FURTHER ORDERED, that this Order Nisi shall be

effective July 7, 2000, unless the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that the Petitioner shall file a compliance tariff with the Commission on or before July 7, 2000, in accordance with N.H. Admin. Rules, Puc 1603.02(b).

By order of the Public Utilities Commission of New Hampshire this fifth day of June, 2000.

Douglas L. Patch
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Claire D. DiCicco
Assistant Secretary